

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
LINCOLN PLAZA, 400 Q STREET
SACRAMENTO, CA 95811**

January 18, 2008

**NOTICE OF MODIFICATION TO
TEXT OF PROPOSED REGULATIONS**

Pursuant to the requirements of Government Code section 11346.8(c), and Section 44 of Title 1 of the California Code of Regulations, the CalPERS Board of Administration ("Board") is providing notice of modifications to the proposed amendments of sections 554.2 and 554.3 of Title 2 of the California Code of Regulations. The amendments as originally proposed were the subject of a Notice of Proposed Regulatory Action published July 13, 2007, in the California Regulatory Notice Register, Register 2007, No. 28-Z. A public hearing was held on September 11, 2007 and the Board directed that modifications be made to the originally noticed text to address public comments presented.

If you have comments regarding the modifications, you may submit them in writing to the Board between January 18, 2008 and February 1, 2008. All written comments must be received by 5:00 p.m. on February 1, 2008. Comments may be submitted by fax at (916) 795-4607; e-mail at the following address: joe_parilo@calpers.ca.gov or mailed to the following address:

Joe Parilo, Acting Regulations Coordinator
California Public Employees' Retirement System
400 Q Street, Room W2580
P.O. Box 942702
Sacramento, CA 94229-2702

Telephone: (916) 795-3484

The Board is accepting comments only on the proposed modification of the amendment. All written comments on the proposed modification that are received by February 1, 2008 will be reviewed and responded to by the Board's staff as part of the compilation of the rulemaking file.

January 18, 2008

**NOTICE OF MODIFICATIONS TO TEXT OF
PROPOSED REGULATIONS**

AMENDED REGULATORY ACTION BY CALPERS

Double underline indicates newly added text and double strikeout indicates newly deleted text from the originally noticed amended text.

Amend Sections 554.2 and 554.3 of Title 2 of the California Code of Regulations

Amend Section 554.2, "Notice of Election," as follows:

Amend the section by changing the overall format of the regulation from the current straight paragraph style to lettered subdivisions (a), (b), (c), (d), (e), and (f).

Relocate duties ascribed to the Election Coordinator in paragraph 1 of the existing section 554.2 to new subdivision (e).

Add subdivisions (a), (b), (c), (d), and (f) as follows:

- (a) Before each election for a Board member identified in Government Code 20090, subdivision (g) or a special election to fill a vacancy pursuant to Government Code section 20095, the Board shall adopt a Notice of Election. The complete text of the Notice of Election shall be adopted as an agenda item at a regularly noticed public meeting of the Board.
- (b) The Notice of Election shall contain:
 - i. A statement of whether, at the time of the adoption of the Notice of Election, the incumbent intends to be a candidate for reelection;
 - ii. The election schedule, including without limitation, the date for submission of Nomination Petition forms, Nomination Acceptance/Ballot Designation forms, and the dates of the election;
 - iii. Eligibility criteria for candidates and voters;
 - iv. Candidate nomination and election procedures;
 - v. Information required by the Nomination Petition;
 - vi. The minimum number of original signatures required for nomination as a candidate; and
 - vii. Such other information as determined by the Board at the noticed public meeting.
- (c) The election schedule shall provide the Board adequate time and flexibility to accommodate the nomination and candidate statement arbitration processes, various administrative procedures and voting periods, including the opportunity for a run-off election, if necessary, and to seat the newly elected Board members by statutory deadlines. In no event shall ballots be distributed to voters earlier than 60 days after the adoption of the original Notice of Election.

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- (d) Any amendment to the Notice of Election, including amendments to the election schedule, shall be set forth in an Amended Notice of Election, adopted at a noticed public meeting of the Board.
- (e) ~~The Election Coordinator shall distribute a~~ publish the Notice of Election in advance of ~~before each election, containing candidate nomination and election procedures, eligibility criteria for candidates and voters, and the schedule of events. The Notice shall contain a statement whether or not the incumbent intends to be a candidate for reelection. using~~ methods designed to provide adequate notice to potential candidates and voters, including but not limited to:
 - a. Posting the Notice of Election on the CalPERS website.
 - b. Mailing the Notice of Election directly to eligible retired members.
 - c. Providing employers with sufficient copies of the Notice of Election to allow widespread notice to employees.
- (f) ~~Agency Election Officers shall provide such notification to eligible active members by direct distribution of the Notice of Election to members or by posting the Notice of Election in employee work areas. The Election Coordinator shall provide employers with sufficient copies of the Notice of Election to allow widespread notice to employees.~~

Delete the final sentence of existing section 554.2, the substance of which is included in subdivision (e), subpart (ii), above.

~~The Election Coordinator shall cause the Notice of Election to be mailed directly to eligible retired members by PERS.~~

Amend NOTE to read:

NOTE: Authority cited: Section 20121, Government Code. Reference: Sections 20090, 20095, and 20096, Government Code.

{HISTORY Remains Unchanged except to add the date of this amendment}

Amend Section 554.3, "Nomination of Candidates," as follows:

Amend the section by changing the overall format of the regulation from the current straight paragraph style to lettered subdivisions (a), (b), (c), (d), (e), (f), ~~and~~ (g), and (h).

Language in last paragraph in existing section 554.3, relocated at subdivision ~~(f)~~ (h), remains unchanged.

- (a) ~~Members shall qualify~~ A person qualifies ~~for nomination if they he or she meets the eligibility criteria adopted in advance of each election and publicized by the Board in the Notice of Election set forth in Government Code section 20090, subdivision (g), for the Board member position that is the subject of the election. To qualify for candidacy, a nominee must complete the procedures for nomination set forth in the Notice of Election. An individual candidate nominee may not be a candidate for more than one Board member position during any particular election.~~

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- (b) Nomination shall be by petition, on the Nomination Petition form(s) provided by the System, addressed to the Board and signed by members eligible to vote in the election being conducted the nominee. The Nomination Petition form shall include all information required by this section as provided in the Notice of Election or any Amended Notice of Election. The petition shall identify clearly the specific Board member position for which the candidate nominee seeks election. The petition shall also set forth information required to validate the nominee's eligibility, which shall include, ~~The required information shall be determined at a noticed public meeting of the Board and specified in the Notice of Election, and may include, but is not limited to,~~ the nominee's full name, ~~partial~~ last four (4) digits of the nominee's Social Security number, ~~System identification number, date of birth, and employer or employer at retirement,~~ The nominee shall also provide and contact information, such as address, telephone number, fax number, and email address.
- (c) A member or retired member shall be eligible to sign a Nomination Petition if he or she meets the eligibility criteria set forth in Government Code section 20090, subdivision (g), for the Board member position that is the subject of the election. Members or retired members signing a Nomination Petition shall provide identifying information for the purpose of validating membership in the System, which shall include, ~~The required information shall be determined at a noticed public meeting of the Board and specified in the Notice of Election, and may include, but is not limited to,~~ the member's or retired member's full name, ~~partial~~ last four (4) digits of his or her Social Security number, ~~System identification number, date of birth, and employer or employer at retirement, and address.~~
- (d) The Nomination Petition Form shall be provided by the System as follows (pages 1 and 2 are reproduced below; subsequent pages will be provided for additional signatures and will be identical to page 2):



California Public Employees' Retirement System
NOMINATION PETITION {election name} **ELECTION**

IMPORTANT: THE NOMINATION PETITION, ENDORSED WITH **AT LEAST 250 ORIGINAL SIGNATURES OF ELIGIBLE** {active/retired} **MEMBERS**, MUST BE RECEIVED BY THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS) AT THE ADDRESS BELOW **NO LATER THAN** {date}, **5:00 P.M. FIRM**. THE NOMINATION PETITION PROVIDES FIFTY (50) ADDITIONAL NAME/SIGNATURE LINES. ONLY NOMINATION PETITIONS SUPPLIED BY CalPERS WILL BE ACCEPTABLE.

California Public Employees' Retirement System
 Attention: CalPERS Election Coordinator
 Lincoln Plaza - 400 Q Street, Room {room number}
 P.O. Box 942702
 Sacramento, CA 94229-2702
 Telephone: (916) 795-3952, local, or (800) 794-2297, toll free

NOMINATION

WE, THE UNDERSIGNED, {active and/or retired} MEMBERS OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, PLACE IN NOMINATION _____ {nominee full name} _____ AS A MEMBER TO THE BOARD OF ADMINISTRATION, CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM. THE NOMINEE IS {employed by/retired from} (AGENCY) _____.

 Nominee's Street Address

X X X -- X X -- ____
 Last Four Digits of the Social Security Number*

 City State Zip Code

 Signature of Nominee Consenting to Nomination

(_____)_____
 Nominee's Daytime Telephone Number

 Nominee's E-Mail Address

(_____)_____
 Nominee's Fax Number

INFORMATION NEEDED FOR VERIFICATION OF SYSTEM MEMBERSHIP

<u>NAME * (Type/Print) & SIGNATURE</u>	<u>LAST FOUR DIGITS OF THE SOCIAL SECURITY NUMBER*</u>	<u>{employed by/retired from} (AGENCY NAME)</u>
1. _____ (Type/Print Name)	XXX - XX - ____	_____

*** NOTE:** The last name and the last four digits of the social security number information is being sought for the sole purpose of verifying CalPERS membership against the CalPERS database. Be advised that in some cases, the information provided may not be sufficient to verify CalPERS membership or may delay verification of eligible signers. In the event CalPERS membership cannot be verified, the signature will be deemed invalid and not counted.

NOMINATION PETITION {election name} **ELECTION, FOR:** _____

NAME* (Type/Print) & SIGNATURE

LAST FOUR DIGITS OF THE
SOCIAL SECURITY NUMBER*

{employed by/retired from}
(AGENCY NAME)

(Signature)

2. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

3. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

4. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

5. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

6. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

7. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

8. _____
(Type/Print Name)

XXX - XX - _____

(Signature)

*** NOTE:** The last name and the last four digits of the social security number information is being sought for the sole purpose of verifying CalPERS membership against the CalPERS database. Be advised that in some cases, the information provided may not be sufficient to verify CalPERS membership or may delay verification of eligible signers. In the event CalPERS membership cannot be verified, the signature will be deemed invalid and not counted.

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- ~~(e)~~ (e) The minimum number of petition signatures required for candidacy shall be determined by the Board at a noticed public meeting and specified in the Notice of Election. In setting the minimum number of petition signatures, the Board will consider the goals of ensuring candidates have a minimum level of support and providing members and retirees access to candidacy. In no event shall less than 250 valid original signatures be required. Only those petitions received in the Sacramento office of the System by the date and time specified in the Notice of Election shall be accepted.
- ~~(e)~~ (f) Each nominee shall certify, on the Nomination Acceptance/Ballot Designation form provided by the System, that ~~the nominee~~ he or she accepts the nomination, consents to serve if elected and agrees to abide by a drawing of lots by the Secretary of State in case of a tied vote. If a nominee chooses to submit a Ballot Designation, he or she shall include the proposed Ballot Designation on the Nomination Acceptance/Ballot Designation form. ~~The nominees shall return this certification on the form provided by the System~~ the Nomination Acceptance/Ballot Designation form by the date and time specified in the Notice of Election to have ~~their~~ his or her names placed on the ballot.
- (g) The Nomination Acceptance/Ballot Designation Form shall be provided by the System as follows:



NOMINATION ACCEPTANCE/BALLOT DESIGNATION FORM

**IMPORTANT: COMPLETE AND FILE THIS FORM NO LATER THAN
{date}, 5:00 P.M. FIRM, (CERTIFIED MAIL IS RECOMMENDED) TO:**

California Public Employees' Retirement System
ATTENTION: CalPERS Election Coordinator
Lincoln Plaza West - 400 Q Street, Room {room number}
P.O. Box 942702
Sacramento, CA 94229-2702

NOMINATION ACCEPTANCE/NON-ACCEPTANCE

Please select either Item #1 or #2 below by marking the appropriate box.

1. ☐ Upon CalPERS determination that I am a qualified candidate, I accept the nomination for election as a member of the Board of Administration to fill the position whose term will begin January 16, {year}, and expire on January 15, {year}. I consent to serve if elected and agree to abide by the result of a drawing of lots by the Secretary of State in case of a tied vote. I submit the following information:

Name and proposed Ballot Designation as I wish it shown on the ballot:

Name: _____
(Please type or print)

Proposed Ballot
Designation: _____
(See attached criteria)

Employer or Employer At
Retirement: _____

Job Classification or Job
Classification at Retirement : _____

Total years of CalPERS-covered service in California: _____

2. ☐ I do not accept the nomination for the terms as set forth above.

I understand that if I decide to withdraw my candidacy after submitting this certified form, if I checked box #1 above, I must notify the CalPERS Board Election Coordinator by phone at (916) 795-3952 and follow-up in writing at the address shown above within ten (10) working days following the nomination acceptance deadline date in order to have my name removed from the ballot and candidate statement information.

➔ Turn this form over. Read and complete the **CANDIDATE STATEMENT/ADDENDUM** and **CERTIFICATION** section.

CANDIDATE STATEMENT/ADDENDUM

I understand that the California Public Employees' Retirement System will distribute with the ballot for the election (and runoff election if one is held) a candidate statement and candidate statement addendum for candidates who prepare them. I understand that the statement(s) must be truthful, and shall contain no obscene, vulgar, profane, libelous, or defamatory matter. The statement(s) shall not include any remarks or questions that are inherently misleading, including rhetorical remarks and questions that are inherently misleading.

I understand that once filed, the statement(s) may not be changed or withdrawn except as provided in CalPERS regulations at Title 2 California Code of Regulations Section 554.4(d), (e) Candidate Statements. I further understand that if candidate statement arbitration is conducted, and if I participate in the candidate statement arbitration, then, as stated in regulation Section 554.4(d), (e)(6):

- I will bear my own expenses in connection with the preparation and presentation of my case at the arbitration proceedings.
- The fees and expenses of the arbitrator and all other expenses of the arbitration shall be borne equally by each candidate participating in the arbitration.

CERTIFICATION

My signature below certifies my understanding of the information on this form regarding nomination acceptance/non-acceptance, withdrawing candidacy and the candidate statement.

My signature below also certifies that I have completed the information on this form.

SIGNATURE: _____

ADDRESS: _____

TELEPHONE
NUMBER: (____) _____

DATE: _____

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~~(h)~~ (h) Amendments to this section adopted on March 21, 2001 shall become operative on January 16, 2002. The amendments to Section 554.3 filed July 2, 1982, shall remain in effect until that time.

~~(g) Amendments to this section adopted September 12, 2007, shall become operative January 16, 2008.~~

{NOTE and HISTORY Remain Unchanged except to add the date of this amendment}